

PROTECTIVE LIFE CORP
Form 424B2
June 26, 2006

[QuickLinks](#) -- Click here to rapidly navigate through this document

**Filed Pursuant to Rule 424(b)(2)
File Number 333-121791**

The information in this prospectus supplement is not complete and may be changed. This prospectus supplement and the accompanying base prospectus are not an offer to sell these securities and we are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject To Completion. Preliminary Prospectus Supplement Dated June 26, 2006.

Prospectus Supplement to Prospectus dated January 12, 2005.

\$200,000,000

Protective Life Corporation

% Capital Securities due 2066

This is an offering by Protective Life Corporation of \$200,000,000 of its % Capital Securities due 2066, which we refer to as "subordinated debt securities" in the accompanying base prospectus and as the "capital securities" in this prospectus supplement. The capital securities are junior subordinated debentures issued by Protective Life Corporation under a subordinated indenture. Interest on the capital securities will accrue from the issue date until maturity at a fixed rate equal to % per year. Such fixed interest rate on the capital securities will be payable in arrears quarterly on March 31, June 30, September 30 and December 31 of each year, commencing on September 30, 2006, subject to our right or, in certain circumstances, requirement to defer interest payments as described in this prospectus supplement under "Description of the Capital Securities."

We may redeem the capital securities in whole or in part at their aggregate principal amount, together with any accrued and unpaid interest, on or after June 30, 2011, for cash in an amount equal to 100% of the principal amount of the capital securities to be redeemed, plus accrued and unpaid interest, together with any compounded interest, on the capital securities to the date of redemption, which amount we refer to as the "par redemption amount".

Prior to June 30, 2011, we may redeem the capital securities in whole, but not in part, and only upon the occurrence of a "tax event," as defined in this prospectus supplement for cash in an amount equal to the par redemption amount. See "Description of the Capital Securities Redemption."

The capital securities will be issued in denominations of \$25 and integral multiples of \$25, will be our junior subordinated unsecured obligations and will rank junior to our existing senior indebtedness, as defined in this prospectus supplement, and any other senior indebtedness that we or any of our subsidiaries incur in the future.

As further described in this prospectus supplement, if we have optionally deferred interest payments for a period of more than five consecutive years or if we have failed to satisfy certain financial tests, which failure we refer to as a "trigger event," and such failure continues for more than one year, we will be required to make commercially reasonable efforts to sell common stock and to pay interest on the capital securities only from the net proceeds of those sales. An event of default will occur if non-payment of interest, due to an optional deferral or otherwise, continues for 10 consecutive years without all accrued and unpaid interest (including compounded interest) having been paid in full. In certain events of our bankruptcy, insolvency or receivership prior to the maturity or redemption of any capital securities, whether voluntary or not, a holder of capital securities will have no claim for interest that is unpaid as a result of certain consequences of a trigger event (including compounded interest thereon) and has not been settled through the application of the alternative coupon satisfaction mechanism (as described herein) to the extent the amount of such interest exceeds 25% of the then outstanding principal amount of such holder's capital securities. The capital securities will not be subject to redemption at the option of the holder or to any sinking fund payments.

We have applied to list the capital securities on the New York Stock Exchange under the symbol "PLPrD". Trading of the capital securities on the New York Stock Exchange is expected to commence within 30 days of the date of the initial delivery of the capital securities.

See "Risk Factors" beginning on page S-8 of this prospectus supplement to read about important factors you should consider before buying the capital securities.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the adequacy of this prospectus supplement or the accompanying base prospectus. Any representation to the contrary is a criminal offense.

	Per Capital Security	Total
Initial public offering price(1)	\$	\$
Underwriting discounts and commissions(2)	\$	\$
Proceeds, before expenses, to Protective(1)	\$	\$

(1) The initial public offering prices set forth above do not include accrued interest, if any. Interest on the capital securities will accrue from _____, 2006 and must be paid by the purchasers if the capital securities are delivered after such date.

(2) Protective will pay total underwriting commissions of up to \$ _____, which is \$ _____ per capital security. For sales to certain institutions, the underwriting commission will be \$ _____ per capital security. To the extent of those sales, the total underwriting commissions will be less than, and the actual total proceeds to Protective will be greater than, the amounts shown in the table above.

The underwriters expect to deliver the capital securities in book-entry form only through the facilities of The Depository Trust Company on or about _____, 2006.

Joint Bookrunners

Goldman, Sachs & Co.
(Sole Structuring Coordinator)

Merrill Lynch & Co.

Wachovia Securities

Senior Co-Managers

Citigroup

Morgan Stanley

UBS Investment Bank

Prospectus Supplement dated _____, 2006.

FORWARD-LOOKING INFORMATION

This prospectus supplement, the accompanying base prospectus and any pricing supplement and the information incorporated by reference in such documents may include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that reflect Protective's current view with respect to future events and financial performance. The words "believe", "expect", "estimate", "project", "budget", "forecast", "anticipate", "plan", and similar expressions identify forward-looking statements which are based on future expectations rather than on historical facts and are therefore subject to a number of risks and uncertainties, and neither Protective nor any of its agents can give assurance that such statements will prove to be correct. You should not place undue reliance on these forward-looking statements, which speak only as of their dates. Protective and its agents shall not undertake any obligation to update or review forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events, or changes to projections over time.

ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering of capital securities and also adds to and updates information contained in the accompanying base prospectus and the documents incorporated by reference into this prospectus supplement and the accompanying base prospectus. The second part, the accompanying base prospectus, gives more general information, some of which may not apply to this offering. If the description of the offering varies between this prospectus supplement and the accompanying prospectus, the information contained in this prospectus supplement prevails.

You should rely only on information contained in this prospectus supplement and the accompanying base prospectus or information to which we have referred you. No one has been authorized to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. Protective is not, and any of its agents are not, making an offer to sell the securities in any jurisdiction where the offer to sell the securities is not permitted. You should assume that the information appearing in this prospectus supplement and the accompanying base prospectus, as well as information we previously filed with the Securities and Exchange Commission and incorporated by reference, is accurate as of the date on the front cover of those respective documents only. Protective's business, financial condition, results of operations and prospects may have changed since the respective dates of those documents.

Unless otherwise indicated, or the context otherwise requires, references in this prospectus supplement and the accompanying base prospectus to "Protective," "we," "us" and "our" or similar terms are to Protective Life Corporation, without its subsidiaries.

SUMMARY

The following summary is qualified in its entirety by reference to the detailed information appearing elsewhere in this prospectus supplement and in the accompanying base prospectus.

Protective

Protective is a holding company whose subsidiaries provide financial services through the production, distribution and administration of insurance and investment products. Protective had consolidated revenues of \$2.1 billion for the year ended December 31, 2005, and \$593 million for the three-month period ended March 31, 2006. As of March 31, 2006, Protective had consolidated assets of \$28.9 billion. Protective Life Insurance Company, founded in 1907, is our principal operating subsidiary. Our principal executive offices are located at 2801 Highway 280 South, Birmingham, Alabama 35223, and our telephone number is (205) 268-1000.

Recent Developments

On February 7, 2006, Protective Life Insurance Company signed a definitive agreement to acquire from JPMorgan Chase & Co. the stock of five life insurance companies that manufacture and distribute traditional life insurance and annuities products and four related non-insurance companies (together, the "Chase Insurance Group"). The transaction is subject to certain regulatory approvals and is currently expected to close during the third quarter of 2006. We provide a more detailed description of the acquisition of the Chase Insurance Group under "Acquisition of the Chase Insurance Group," "Selected Historical Financial Data of the Chase Insurance Group" and "Unaudited Pro Forma Condensed Combined Financial Information" in this prospectus supplement.

The Offering

Issuer	Protective Life Corporation.
Securities	% Capital Securities due 2066 (the "capital securities"). The capital securities will be junior subordinated debentures which we will issue under our Subordinated Indenture dated June 1, 1994 between us and The Bank of New York (as successor to AmSouth Bank, N.A.), as subordinated indenture trustee, as supplemented by a Supplemental Indenture between us and the subordinated indenture trustee. The capital securities will be issued in denominations of \$25 principal amount and integral multiples of \$25.
Aggregate Principal Amount	\$200,000,000.
Maturity Date	The capital securities will mature on June 30, 2066.
Interest	Subject to certain requirements during any optional deferral period or following a trigger event, as described below, interest on capital securities will accrue from the issue date to but not including the maturity date or earlier redemption at an annual rate of %, payable quarterly in arrears on March 31, June 30, September 30 and December 31 each year, commencing September 30, 2006.

Use of Proceeds We estimate that, after deducting expenses and underwriting discounts and commissions, our net proceeds from this offering will be approximately \$. We anticipate that we will contribute a majority of the net proceeds from this offering to Protective Life Insurance Company to finance a portion of the purchase price of its pending acquisition of the Chase Insurance Group and use the balance of the net proceeds for general corporate purposes.

Anticipated Ratings Moody's: Baa2 (Stable)Fitch: BBB+(Stable)

Standard & Poor's: BBB (Stable)A.M. Best: bbb+(Stable)

An explanation of the significance of ratings may be obtained from the rating agencies. Generally, rating agencies base their ratings on such material and information, and such of their own investigations, studies and assumptions, as they deem appropriate. The rating of the capital securities should be evaluated independently from similar ratings of other securities. A credit rating of a security is not a recommendation to buy, sell or hold securities and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning rating agency.

Redemption We may redeem the capital securities on or after June 30, 2011, in whole or in part at a cash redemption price equal to the par redemption amount, as defined herein. However, if the capital securities are not redeemed in whole, we may not effect such redemption unless at least \$50 million aggregate principal amount of the capital securities, excluding any capital securities held by us or any of our affiliates, remains outstanding after giving effect to such redemption.

Additionally, we may, at our option, redeem the capital securities prior to June 30, 2011, if a "tax event" has occurred, as defined herein. Such redemption must be in whole and not in part at a cash redemption price equal to the par redemption amount. See "Description of the Capital Securities Redemption."

Capital Replacement We intend that, to the extent that the capital securities provide us with equity credit at the time of repayment at maturity or earlier redemption, we will repay the principal amount of the capital securities at maturity or upon such redemption with amounts that include net proceeds received by us from the sale or issuance, during the 180-day period prior to the date of maturity or redemption, as the case may be, by us or our subsidiaries to third-party purchasers, other than a subsidiary, of securities, for which we will receive equity credit, at the time of sale or issuance, that is equal to or greater than the equity credit attributed to the capital securities at the time of such repayment or redemption.

Optional Deferral

So long as no event of default with respect to the capital securities or trigger event, as described below, has occurred and is continuing, we may elect to defer one or more interest payments on the capital securities at any time and from time to time for up to five years. During that five-year period, we may pay deferred interest out of any source of funds. Deferred interest will continue to accrue and compound quarterly to the extent permitted by applicable law, at the rate of interest. If interest remains unpaid after five years of optional deferral, the alternative coupon satisfaction mechanism described below in this summary under "Alternative Coupon Satisfaction Mechanism" will apply, with the consequence, among others, that we must (except upon an event of default with respect to the capital securities) make commercially reasonable efforts to sell common stock to satisfy our interest payment obligations. If such efforts are successful, we must pay optionally deferred interest out of the net proceeds from the sale of common stock on the next succeeding interest payment date following such five-year period, but we cannot pay such optionally deferred interest from sources other than the net proceeds from the sale of common stock. Additionally, during any optional deferral period the restrictions on payment by us of dividends and other distributions on capital stock described below in this summary under "Payment Restrictions" will apply. An event of default will occur if non-payment of interest, due to an optional deferral or otherwise, continues for 10 consecutive years without all accrued and unpaid interest (including compounded interest) having been paid in full.

Upon the termination of any optional deferral period and the payment of all amounts then due, we may commence a new optional deferral period, subject to the above requirements. There is no limit to the number of such new optional deferral periods that we may begin. See "Description of the Capital Securities - Optional Deferral of Interest."

Trigger Event

If we fail to meet the capital adequacy or net income and shareholders' equity levels specified under "Description of the Capital Securities - Trigger Event" as of any interest payment date, a "trigger event" will have occurred. A "trigger period" is a period commencing upon the occurrence of a trigger event and continuing until the first interest payment date thereafter on which payment of interest is not restricted because of the occurrence of a trigger event. The subordinated indenture provides that if as of an interest payment date (and regardless of whether a notice of an optional deferral has been delivered) a trigger event has occurred and a trigger period caused thereby is continuing, the alternative coupon satisfaction mechanism described in this summary under "Alternative Coupon Satisfaction Mechanism" will apply.

Any interest that is accrued and unpaid during a period when a trigger event has occurred and a trigger period caused thereby is continuing will continue to accrue and compound quarterly, to the extent permitted by applicable law, at the rate of interest applicable to the capital securities, and the restrictions on payment by us of dividends and other distributions on capital stock described below in this summary under "Payment Restrictions" will apply. For more information, see "Description of the Capital Securities - Trigger Event" and "Consequences of a Trigger Event."

Alternative Coupon Satisfaction Mechanism

On any interest payment date during the period commencing upon the occurrence of a trigger event and continuing until the related trigger period is no longer continuing (regardless of whether notice of an optional deferral has been delivered), we may satisfy our obligation to pay interest on the capital securities only to the extent of net proceeds from the sale of common stock received by us during the 180 days prior to such interest payment date (and designated by Protective at or before the time of such sale as available to pay interest on the capital securities) or received by us after such interest payment date, and we may not pay interest on any such interest payment date (other than interest that had accrued during an optional deferral period of less than five years and prior to the occurrence of a trigger event, which may remain unpaid or be paid out of any source of funds) except to the extent of such net proceeds from the sale of common stock.

If:

we have optionally deferred interest payments otherwise due on the capital securities for a period of more than five years, or

a trigger event has occurred and the related trigger period has continued for more than one year (regardless of whether notice of an optional deferral has been delivered), then we must make commercially reasonable efforts to satisfy our obligation to pay interest in full on the capital securities (subject to the limitations described below)

by selling common stock, the sale of which will provide a cash amount to be paid to the holders of the capital securities in satisfaction of accrued and unpaid interest, together with any compounded interest. Such obligation will continue until all unpaid interest has been paid in full (subject to the limitations described below). Our obligation to make commercially reasonable efforts to sell common stock to satisfy our obligation to pay interest is subject to market disruption events (as defined herein), does not apply to interest that has accrued during an optional deferral period of less than five years or during the first year after occurrence of a trigger event, and does not apply if an event of default with respect to the capital securities has occurred and is continuing. The net proceeds received by us from the sale of common stock (i) during the 180 days prior to any interest payment date on which we are required to use the alternative coupon satisfaction mechanism and (ii) designated by us at or before the time of such sale as available to pay interest on the capital securities will, at the time such proceeds are delivered to the subordinated indenture trustee to satisfy the relevant interest payment, be deemed to satisfy our obligations to pay interest on the capital securities pursuant to the alternative coupon satisfaction mechanism.

Payment Restrictions

On any date on which accrued interest through the most recent interest payment date has not been paid in full, whether because of an optional deferral, the consequences of a trigger event or otherwise, we will not declare or pay any dividends or any distributions on, or make any payments of interest, principal or premium, or any guarantee payments on, or redeem, purchase, acquire or make a liquidation payment on, any of our capital stock, debt securities that rank equal or junior to the capital securities or guarantees that rank equal or junior to the capital securities, other than pro rata payments on debt securities and guarantees that rank equally with the capital securities and except for certain exceptions detailed in "Description of the Capital Securities Certain Restrictions during Optional Deferral Periods or Following a Trigger Event."

Subordination

The payment of principal of and interest on the capital securities, to the extent provided in the subordinated indenture, will be subordinated to the prior payment in full of all present and future senior indebtedness, as described in "Description of the Capital Securities Subordination," and will be effectively subordinated to all indebtedness of our subsidiaries.

The subordinated indenture places no limitation on the amount of additional senior indebtedness that we may incur. We expect from time to time to incur additional indebtedness constituting senior indebtedness.

Limitation on Claims in the Event of Our Bankruptcy, Insolvency or Receivership

In certain events of our bankruptcy, insolvency or receivership prior to the maturity or redemption of any capital securities, whether voluntary or not, a holder of capital securities will have no claim for, and thus no right to receive, interest that is unpaid as a result of certain consequences of a trigger event (including compounded interest thereon) and has not been settled through the application of the alternative coupon satisfaction mechanism to the extent the amount of such interest exceeds 25% of the then outstanding principal amount of such holder's capital securities.

Events of Default

The subordinated indenture will provide the following events of default with respect to the capital securities:

default for 30 calendar days in the payment of any interest on the capital securities when it becomes due and payable (whether or not such payment is prohibited by the subordination provisions); however, a default under this provision will not arise if we have properly deferred the interest in connection with an optional deferral period or when the alternative coupon satisfaction mechanism applies;

Edgar Filing: PROTECTIVE LIFE CORP - Form 424B2

any non-payment of interest, whether due to an optional deferral, during a trigger period or otherwise, that continues for 10 consecutive years without all accrued and unpaid interest (including compounded interest) having been paid in full;

default in the payment of the principal of, and premium, if any, on the capital securities when due; or

certain events of bankruptcy, insolvency, or receivership, whether voluntary or not.

The subordinated indenture does not include as an event of default failure to comply with covenants, including the alternative coupon satisfaction mechanism.

Material U.S. Federal Income Tax Consequences

A holder will generally take into account interest on the capital securities at the time it is accrued or received, in accordance with such holder's method of accounting for U.S. federal income tax purposes. During any deferral period, a holder will be required to include interest in income as it accrues, regardless of such holder's method of accounting for U.S. federal income tax purposes, using a constant yield method. Consequently, holders of capital securities would be required to include interest in income even though no cash payments would be made during the deferral period. See "Material U.S. Federal Income Tax Consequences."

Form

The capital securities will be represented by one or more global securities registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"). Beneficial interests in the capital securities will be evidenced by, and transfers thereof will be effected only through, records maintained by the participants in DTC.

Trustee and Principal Paying Agent

The Bank of New York.

Governing Law

New York.

Listing

We have applied to list the capital securities on the New York Stock Exchange under the symbol "PLPrD". Trading of the capital securities on the New York Stock Exchange is expected to commence within 30 days of the date of the initial delivery of the capital securities. You should be aware that the listing of the capital securities will not necessarily ensure that an active trading market will be available for the capital securities or that you will be able to sell your capital securities at the price you originally paid for them.

calculated on a pro forma basis without giving effect to such change until the later of (x) the first quarter end that is more than four quarters after the end of the quarter in which such change in an accounting principle or a restatement became effective and (y) if a trigger event occurs before the quarter end determined pursuant to (x), the first quarter end as of which a trigger period is no longer continuing.

If, because of a change in GAAP that results in a cumulative effect of a change in an accounting principle or a restatement, the adjusted shareholders' equity amount as of a quarter end is higher or lower than it would have been absent such change, then for purposes of making the calculations described in clause (ii)(y) in the definition of the term "trigger event" above, commencing with the fiscal quarter for which such change in GAAP becomes effective, the adjusted shareholders' equity amount will be calculated on a pro forma basis as if such change had not occurred. Our adjusted shareholders' equity amount will be calculated on a pro forma basis without giving effect to such change until the later of (x) the first quarter end that is more than ten quarters after the end of the quarter in which such change in an accounting principle or a restatement became effective and (y) if a trigger event occurs before the quarter end determined pursuant to (x), the first quarter end as of which a trigger period is no longer continuing.

If after the end of the benchmark quarter for an interest payment date and before the end of the next quarter Protective issues a material amount of equity securities to fund an acquisition of a business or assets, with the consequence that the adjusted shareholders' equity amount as of the end of subsequent quarters is higher than otherwise would have been the case, then for purposes of making the calculation described in clause (ii)(y) in the definition of the term "trigger event" above, commencing with the quarter end after such issuance of a material amount of equity securities, the adjusted shareholders' equity amount will be calculated on a pro forma basis without giving effect to the issuance of such equity securities. The adjusted shareholders' equity amount will be calculated on a pro forma basis without giving effect to the issuance of such equity securities until the later of (x) the first quarter end that is more than ten quarters after the end of the benchmark quarter and (y) if a trigger event occurs before the quarter end determined pursuant to clause (x), the first quarter end as of which a trigger period is no longer continuing. A "material amount of equity securities" means equity securities that result in an increase in the adjusted shareholders' equity amount of at least \$100 million, calculated without giving effect to this paragraph.

As used in this section:

"Adjusted shareholders' equity amount" means, as of any quarter end, the shareholders' equity of Protective as reflected on Protective's consolidated GAAP balance sheet as of such quarter end, minus (i) accumulated other comprehensive income as reflected on such consolidated balance sheet and (ii) if such quarter end is during a trigger period, any increase in shareholders' equity resulting from the issuance of preferred stock during such trigger period.

"Covered life insurance subsidiaries" means, as of any year end, life insurance subsidiaries that account for 80% or more of the combined general account admitted assets of our life insurance subsidiaries as of such year end. Our covered life insurance subsidiaries as of a year end will be identified by first ranking the life insurance subsidiaries from largest to smallest based upon the amount of each life insurance subsidiary's general account admitted assets and then, beginning with the life insurance subsidiary that has the largest amount of general account admitted assets as of such year end, identifying such life insurance subsidiaries as covered life insurance subsidiaries until the ratio of the combined general account admitted assets of the life insurance subsidiaries so identified to the combined general account admitted assets of all of the life insurance subsidiaries as of such year end equals or exceeds 80%.

"GAAP" means, at any date or for any period, U.S. generally accepted accounting principles as in effect on such date or for such period.

capital securities) or received by us after such interest payment date, and we may not pay interest on any such interest payment date after the occurrence of a trigger event and for so long as the related trigger period continues (other than any interest that has accrued during an optional deferral period of less than five years and prior to the occurrence of a trigger event, which may remain unpaid or be paid out of any source of funds) except to the extent of such net proceeds from the sale of common stock.

If:

we have optionally deferred interest payments otherwise due on the capital securities for a period of more than five consecutive years, or

a trigger event has occurred and the related trigger period has continued for more than one year (regardless of whether a notice of an optional deferral has been delivered),

we must make commercially reasonable efforts (as defined below) to satisfy our obligation to pay interest in full on the capital securities, subject to the limitations described below, by selling common stock, the sale of which will provide a cash amount to be paid to the holders of the capital securities in satisfaction of accrued and unpaid interest, together with any compounded interest. Such obligation will continue until all unpaid interest has been paid in full or, if such obligation has arisen only because a trigger event has occurred and continued for more than one year, until a trigger event is no longer continuing (subject to the limitations described below). Our obligation to make commercially reasonable efforts to sell common stock to satisfy our obligation to pay interest is subject to market disruption events, does not apply to interest that has accrued during an optional deferral period of less than five years or during the first year after occurrence of a trigger event, and does not apply if an event of default with respect to the capital securities has occurred and is continuing. The net proceeds received by Protective from the sale of common stock (i) during the 180 days prior to any interest payment date on which we are required to use the alternative coupon satisfaction mechanism and (ii) designated by Protective at or before the time of such sale as available to pay interest on the capital securities will, at the time such proceeds are delivered to the subordinated indenture trustee to satisfy the relevant interest payment, be deemed to satisfy Protective's obligations to pay interest on the capital securities pursuant to the alternative coupon satisfaction mechanism.

As used in this section:

"Commercially reasonable efforts" to sell our common stock means commercially reasonable efforts to complete the offer and sale of our common stock, up to our shares available for issuance, to third parties that are not subsidiaries of ours in public offerings or private placements, provided that we will be deemed to have made such commercially reasonable efforts during a market disruption event, as defined below, regardless of whether we make any offers or sales during such market disruption event. For the avoidance of doubt, we will not be considered to have made commercially reasonable efforts to effect a sale of common stock if we determine to not pursue or complete such sale solely due to pricing considerations.

"Common stock" includes treasury shares and shares of common stock sold pursuant to our dividend reinvestment plan and employee benefit plan.

A "market disruption event" means the occurrence or existence of any of the following events or sets of circumstances:

trading in securities generally on the principal exchange on which Protective's securities are then listed and traded (as of today, the New York Stock Exchange) shall have been suspended or the settlement of such trading generally shall have been materially disrupted or minimum prices shall have been established on any such exchange or such market by the SEC, by such exchange or by any other regulatory body or governmental authority having jurisdiction;

their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on such date. Payments by participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such participant and not of DTC, the trustee or Protective, subject to any statutory or regulatory requirements as may be in effect from time to time. Any payment due to DTC on behalf of beneficial owners is the responsibility of Protective or the applicable agent, disbursement of such payments to direct participants shall be the responsibility of DTC, and disbursement of such payments to the beneficial owners shall be the responsibility of direct participants and indirect participants.

DTC may discontinue providing its services as securities depository with respect to the capital securities at any time by giving reasonable notice to Protective or the applicable agent. Under such circumstances, in the event that a successor securities depository is not obtained, offered security certificates are required to be printed and delivered. Protective may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, offered security certificates will be printed and delivered.

About the Trustee

The Bank of New York is the junior subordinated indenture trustee and will be the principal paying agent and registrar for the capital securities. We have entered, and from time to time may continue to enter, into banking or other relationships with The Bank of New York or its affiliates.

The trustee may resign or be removed with respect to one or more series of debt securities under the subordinated indenture, and a successor trustee may be appointed to act with respect to such series.

Miscellaneous

Protective will have the right at all times to assign any of its respective rights or obligations under the subordinated indenture to a direct or indirect wholly owned subsidiary of Protective; provided that, in the event of any such assignment, Protective will remain liable for all of its respective obligations. Subject to the foregoing, the subordinated indenture will be binding upon and inure to the benefit of the parties thereto and their respective successors and assigns. The subordinated indenture provides that it may not otherwise be assigned by the parties thereto.

Edgar Filing: PROTECTIVE LIFE CORP - Form 424B2

Holder that is an individual is generally entitled to preferential treatment for net long-term capital gains. The ability of a U.S. Holder to deduct capital losses is limited.

United States Alien Holders

This subsection describes the tax consequences to a United States alien holder. A United States alien holder is the beneficial owner of the capital securities and, for United States federal income tax purposes is:

a nonresident alien individual,

a foreign corporation, or

an estate or trust that in either case is not subject to United States federal income tax on a net income basis on income or gain from the capital securities.

This subsection does not apply to U.S. Holders.

Under United States federal income and estate tax law, and subject to the discussion of backup withholding below:

we and other U.S. payors generally will not be required to deduct United States withholding tax from payments of principal, premium, if any, and interest, including OID, to a United States alien holder if, in the case of payments of interest:

1. the holder does not actually or constructively own 10% or more of the total combined voting power of all classes of Protective stock entitled to vote,
2. the holder is not a controlled foreign corporation that is related to the Protective through stock ownership, and
3. the U.S. payor does not have actual knowledge or reason to know that the holder is a United States person and:
 - a. the United States alien holder has furnished to the U.S. payor an Internal Revenue Service Form W-8BEN or an acceptable substitute form upon which such holder certifies, under penalties of perjury, that it (or, in the case of a United States alien holder that is a partnership or an estate or trust, such forms certifying that each partner in the partnership or beneficiary of the estate or trust is) a non-United States person,
 - b. in the case of payments made outside the United States to a United States alien holder at an offshore account (generally, an account maintained by the holder at a bank or other financial institution at any location outside the United States), the holder has furnished to the U.S. payor documentation that establishes such holder's identity and status as the beneficial owner of the payment for United States federal income tax purposes and as a non-United States person,
 - c. the U.S. payor has received a withholding certificate (furnished on an appropriate Internal Revenue Service Form W-8 or an acceptable substitute form) from a person claiming to be:
 - i. a withholding foreign partnership (generally a foreign partnership that has entered into an agreement with the Internal Revenue Service to assume primary withholding responsibility with respect to distributions and guaranteed payments it makes to its partners),
 - ii.

Edgar Filing: PROTECTIVE LIFE CORP - Form 424B2

not disapprove within 30 days of notice, payment of an "extraordinary" dividend from Protective Life. Under Tennessee insurance laws, that term generally refers to a dividend that exceeds, together with all dividends paid by Protective Life within the previous 12 months, the greater of:

10% of Protective Life's surplus as regards policyholders at the preceding December 31; or

the net gain from operations of Protective Life for the 12 months ended on such December 31.

No assurance can be given that more stringent restrictions will not be adopted from time to time by states in which Protective's insurance subsidiaries are domiciled, which could have the effect, under certain circumstances, of significantly reducing dividends or other amounts payable to Protective by such subsidiaries without affirmative prior approval by state insurance regulatory authorities.

In the event of the insolvency, liquidation, reorganization, dissolution or other winding-up of an insurance subsidiary of Protective, all creditors of such subsidiary, including holders of life and health insurance policies, would be entitled to payment in full out of the assets of such subsidiary before Protective, as shareholder or holder of surplus notes, would be entitled to any payment. Creditors would have to be paid in full before the creditors of Protective, including holders of debt securities, would be entitled to receive any payment from the assets of such subsidiary.

PROTECTIVE LIFE CORPORATION

Protective is a Delaware corporation incorporated in 1981. We are a holding company, whose subsidiaries provide financial services through the production, distribution, and administration of insurance and investment products. Protective Life Insurance Company, founded in 1907, is our principal operating subsidiary. Our principal executive offices are located at 2801 Highway 280 South, Birmingham, Alabama 35223, and its telephone number is (205) 268-1000.

THE PLC CAPITAL TRUSTS

Protective created PLC Capital Trust VI, PLC Capital Trust VII and PLC Capital Trust VIII, Delaware statutory trusts, pursuant to three separate declarations of trust.

Each trust exists solely to:

issue and sell to the public its preferred securities, representing undivided beneficial interests in the assets of each trust;

issue and sell to us common securities, representing undivided beneficial interests in the assets of each trust;

use the gross proceeds from the sale of the preferred securities and common securities to acquire a corresponding series of Protective's subordinated debt securities;

distribute the cash payments it receives from the corresponding subordinated debt securities it owns to you and the other holders of preferred securities and us, as holder of the common securities; and

engage in those other activities necessary or incidental to these purposes.

All of the common securities of each trust will be directly or indirectly owned by Protective. The common securities will represent an aggregate liquidation amount equal to at least 3% of each trust's total capitalization. The preferred securities of each trust will represent the remaining 97% of such trust's total capitalization. The common securities will have terms substantially identical to, and will rank equal in priority of payment with, the preferred securities. However, if Protective defaults on the related subordinated debt securities, then cash distributions and liquidation, redemption and other

Edgar Filing: PROTECTIVE LIFE CORP - Form 424B2

Copies of the indentures have been filed as exhibits to the registration statement which includes this prospectus.

The following summary relating to the debt securities and provisions of the indentures is not meant to be a complete description and is subject to, and is qualified in its entirety by reference to, all the provisions of the indentures, as they may be amended or supplemented from time to time. Whenever particular sections or defined terms of the indentures, as they may be amended or supplemented from time to time, are referred to herein or in a prospectus supplement, such sections or defined terms are incorporated by reference.

General

The debt securities will be unsecured obligations of Protective. The senior debt securities will be unsecured and will rank equally with all other unsecured and unsubordinated obligations of Protective. The subordinated debt securities will be subordinate and junior in right of payment to the extent and in the manner set forth in the subordinated indenture to all present and future senior indebtedness of Protective. See "Subordination under the Subordinated Indenture". The indentures do not limit the aggregate amount of debt securities which may be issued. Except as otherwise provided in the

Modification of the Indentures

Each indenture contains provisions permitting Protective and the respective debt trustee to enter into one or more supplemental indentures without the consent of the holders of any of the debt securities in order:

to evidence the succession of another corporation to Protective and the assumption of the covenants of Protective by a successor to Protective;

to add to the covenants of Protective or surrender any right or power of Protective;

to add additional events of default with respect to any series of debt securities;

to add or change any provisions to such extent as necessary to permit or facilitate the issuance of debt securities in bearer form;

to change or eliminate any provision affecting only debt securities not yet issued;

to secure the debt securities;

to establish the form or terms of debt securities;

to evidence and provide for successor debt trustees or to add or change any provisions to such extent as necessary to permit or facilitate the appointment of a separate trustee or trustees for specific series of debt securities;

if allowed without penalty under applicable laws and regulations, to permit payment in respect of debt securities in bearer form in the United States;

to correct any defect or supplement any inconsistent provisions or to make any other provisions with respect to matters or questions arising under such indenture or to cure any ambiguity or correct any mistake, *provided* that any such action does not adversely affect the interests of any holder of debt securities of any series then outstanding; or

in the case of the subordinated indenture, to modify the subordination provisions thereof in a manner not adverse to the holders of subordinated debentures of any series then outstanding (and in the case of subordinated debentures issued in return for the proceeds of preferred securities of any series then outstanding, not adverse to the holders of such preferred securities). (Section 8.1 of each indenture.)

Each indenture also contains provisions permitting Protective and the respective debt trustee, with the consent of the holders of a majority in aggregate principal amount of the outstanding debt securities affected by such supplemental indenture, with the debt securities of each series voting as a class, to execute supplemental indentures adding any provisions to or changing or eliminating any of the provisions of such indenture or any supplemental indenture or modifying the rights of the holders of debt securities of such series, except that, without the consent of the holder of each debt security so affected, no such supplemental indenture may:

change the time for payment of principal or premium, if any, or interest on any debt security;

Edgar Filing: PROTECTIVE LIFE CORP - Form 424B2

reduce the principal of, or any installment of principal of, or premium, if any, or interest on any debt security, or change the manner in which the amount of any of the foregoing is determined;

reduce the interest rate, the amount of principal or the amount of premium, if any, payable upon the redemption of any debt security;

reduce the amount of principal payable upon acceleration of the maturity of any original issue discount or indexed security;

change the currency or currency unit in which any debt security or any premium or interest thereon is payable;

impair the right to institute suit for the enforcement of any payment on or with respect to any debt security;

reduce the percentage in principal amount of the outstanding debt securities affected thereby the consent of whose holders is required for modification or amendment of such indenture or for waiver of compliance with certain provisions of the Indenture or for waiver of certain defaults;

change the obligation of Protective to maintain an office or agency in the places and for the purposes specified in such indenture;

in the case of the subordinated indenture, modify the subordination provisions thereof in a manner adverse to the holders of subordinated debentures of any series then outstanding, and in the case of subordinated debentures issued in return for the proceeds of preferred securities of any series then outstanding, adverse to the holders of such preferred securities; or

modify the provisions relating to waiver of certain defaults or any of the foregoing provisions. (Section 8.2 of each indenture.)

Subordination under the Subordinated Indenture

In the subordinated indenture, Protective has covenanted and agreed that any subordinated debt securities issued thereunder are subordinate and junior in right of payment to all present and future senior indebtedness to the extent provided in the subordinated indenture. The subordinated indenture defines the term "senior indebtedness" as the principal, premium, if any, and interest on:

all indebtedness of Protective, whether outstanding on the date of the issuance of subordinated debt securities or thereafter created, incurred or assumed, which is for money borrowed, or which is evidenced by a note or similar instrument given in connection with the acquisition of any business, properties or assets, including securities;

any indebtedness of others of the kinds described in the preceding clause for the payment of which Protective is responsible or liable as guarantor or otherwise; and

amendments, renewals, extensions and refundings of any such indebtedness,

unless in any instrument or instruments evidencing or securing such indebtedness or pursuant to which the same is outstanding, or in any such amendment, renewal, extension or refunding, it is expressly provided that such indebtedness is not superior in right of payment to subordinated debt securities.

The senior indebtedness shall continue to be senior indebtedness and entitled to the benefits of the subordination provisions irrespective of any amendment, modification or waiver of any term of the senior indebtedness or extension or renewal of the senior indebtedness.

No direct or indirect payment, in cash, property or securities, by set-off or otherwise, shall be made or agreed to be made on account of the subordinated debt securities or interest thereon or in respect of any repayment, redemption, retirement, purchase or other acquisition of subordinated debt securities, if:

Protective defaults in the payment of any principal, or premium, if any, or interest on any senior indebtedness, whether at maturity or at a date fixed for prepayment or declaration or otherwise; or

Edgar Filing: PROTECTIVE LIFE CORP - Form 424B2

an event of default occurs with respect to any senior indebtedness permitting the holders to accelerate the maturity and written notice of such event of default, requesting that payments on subordinated debt securities cease, is given to Protective by the holders of senior indebtedness,

unless and until such default in payment or event of default has been cured or waived or ceases to exist.

All present and future senior indebtedness, including, without limitation, interest accruing after the commencement of any such proceeding, assignment or marshalling of assets, shall first be paid in full before any payment or distribution, whether in cash, securities or other property, shall be made by Protective on account of subordinated debt securities in the event of:

any insolvency, bankruptcy, receivership, liquidation, reorganization, readjustment, composition or other similar proceeding relating to Protective, its creditors or its property;

any proceeding for the liquidation, dissolution or other winding-up of Protective, voluntary or involuntary, whether or not involving insolvency or bankruptcy proceedings;

any assignment by Protective for the benefit of creditors; or

any other marshalling of the assets of Protective.

In any such event, payments or distributions which would otherwise be made for subordinated debt securities will generally be paid to the holders of senior indebtedness, or their representatives, in accordance with the priorities existing between these creditors at that time until the senior indebtedness is paid in full. If the payments or distributions on subordinated debt securities are in the form of Protective's securities or those of any other corporation under a plan or reorganization or adjustment and are subordinate to outstanding senior indebtedness and to any securities issued with respect to such senior indebtedness under a plan of reorganization or readjustment, they will be made to the holders of the subordinated debt securities. No present or future holder of any senior indebtedness will be prejudiced in the right to enforce the subordination of subordinated debt securities by any act or failure to act on the part of Protective.

Senior indebtedness will only be deemed to have been paid in full if the holders of such indebtedness have received cash, securities or other property which is equal to the amount of the outstanding senior indebtedness. After payment in full of all present and future senior indebtedness, holders of subordinated debt securities will be subrogated to the rights of any holders of senior indebtedness to receive any further payments or distributions that are applicable to the senior indebtedness until all the subordinated debt securities are paid in full. In matters between holders of subordinated debt securities and any other type of Protective's creditors, any payments or distributions that would otherwise be paid to holders of senior debt securities and that are made to holders of subordinated debt securities because of this subrogation will be deemed a payment by Protective on account of senior indebtedness and not on account of subordinated debt securities.

The subordinated indenture provides that the foregoing subordination provisions, may be changed prior to the issuance of any subordinated debt securities. The prospectus supplement relating to such subordinated debt securities would describe any such change.

The subordinated indenture places no limitation on the amount of additional senior indebtedness that may be incurred by Protective. Protective expects from time to time to incur additional indebtedness constituting senior indebtedness.

Defeasance and Covenant Defeasance

If indicated in the applicable prospectus supplement, Protective may elect either:

to defease and be discharged from any and all obligations with respect to the debt securities of or within any series, except as otherwise provided in the relevant indenture ("defeasance"); or

to be released from its obligations with respect to certain covenants applicable to the debt securities of or within any series ("covenant defeasance"), upon the deposit with the relevant debt trustee (or other qualifying trustee), in trust for such purpose, of money and/or government obligations which through the payment of principal and interest in accordance with their terms will provide money in an amount sufficient, without reinvestment, to pay the principal of and any premium or interest on such debt securities to maturity or redemption, as the case may be, and any mandatory sinking fund or analogous payments thereon.

As a condition to defeasance or covenant defeasance, Protective must deliver to the relevant debt trustee an officer's certificate and an opinion of counsel to the effect that the holders of such debt securities will not recognize income, gain or loss for federal income tax purposes as a result of such defeasance or covenant defeasance and will be subject to federal income tax on the same amounts and in the same manner and at the same times as would have been the case if such defeasance or covenant defeasance had not occurred. Such opinion of counsel, in the case of defeasance under the first clause above, must refer to and be based upon a ruling of the Internal Revenue Service or a change in applicable federal income tax law occurring after the date of the relevant indenture. Additional conditions to defeasance include:

delivery by Protective to the relevant debt trustee of an officer's certificate to the effect that neither such debt securities nor any other debt securities of the same series, if then listed on any securities exchange, will be delisted as a result of such defeasance;

no event of default with respect to such debt securities or any other debt securities occurring or continuing at the time of such defeasance or, in the case of certain bankruptcy events of default, at any time on or prior to the 90th day after the date of such defeasance; and

such defeasance not resulting in the trust arising from the deposit of any moneys in respect of such defeasance constituting an "investment company" within the meaning of the Investment Company Act unless such trust shall be registered under such Act or exempt from registration thereunder. (Article 4 of each indenture.)

If indicated in the applicable prospectus supplement, in addition to obligations of the United States or an agency or instrumentality thereof, government obligations may include obligations of the government or an agency or instrumentality of the government issuing the currency or currency unit in which debt securities of such series are payable. (Sections 1.1 and 3.1 of each indenture.)

In addition, with respect to the subordinated indenture, in order to be discharged:

no event or condition shall exist that, pursuant to certain provisions described under " Subordination under the Subordinated Indenture" above, would prevent Protective from making payments of principal of, and premium, if any, and interest on subordinated debt securities and applicable coupons at the date of the irrevocable deposit referred to above or at any time during the period ending on the 121st day after such deposit date; and

Protective shall deliver to the trustee under the subordinated indenture an opinion of counsel to the effect that the trust funds will not be subject to any rights of holders of senior indebtedness, and after the 121st day following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally except that if a court were to rule under any such law in any case or proceeding that

Edgar Filing: PROTECTIVE LIFE CORP - Form 424B2

the trust refunds remained the property of Protective, then the trustee under the subordinated indenture and the holders of subordinated debt securities would be entitled to certain rights as secured creditors in such trust funds. (Section 4.6 of the subordinated indenture.)

Protective may exercise its defeasance option with respect to such debt securities notwithstanding its prior exercise of its covenant defeasance option. If Protective exercises its defeasance option, payment of such debt securities may not be accelerated because of an event of default. If Protective exercises its covenant defeasance option, payment of such debt securities may not be accelerated by reason of a default or an event of default with respect to the covenants to which such covenant defeasance is applicable. However, if such acceleration were to occur by reason of another event of default, the realizable value at the acceleration date of the money and government obligations in the defeasance trust could be less than the principal and interest then due on such debt securities, in that the required deposit in the defeasance trust is based upon scheduled cash flow rather than market value, which will vary depending upon interest rates and other factors.

Notices

Notices to holders of registered debt securities will be given by mail to the addresses of such holders as they may appear in the register for the relevant series of debt securities. (Section 1.6 of each indenture)

Title

Protective, the debt trustee and any agent of Protective or the debt trustee may treat the person in whose name a debt security is registered as the absolute owner thereof, whether or not such debt security may be overdue, for the purpose of receiving payment and for all other purposes. (Section 3.8 of each indenture.)

Governing Law

The indentures and the debt securities will be governed by, and construed in accordance with, the laws of the State of New York. (Section 1.11 of each indenture.)

The Trustee

The Bank of New York is the trustee under the senior indenture and the subordinated indenture. Protective may also maintain banking and other commercial relationships with The Bank of New York and its affiliates in the ordinary course of business. The Bank of New York is also the registrar and transfer agent for Protective's common stock. The indentures contain certain limitations on the right of The Bank of New York, should it become a creditor of Protective, to obtain payment of claims in certain cases, or to realize for its own account on certain property received in respect of any such claim as security or otherwise. The Bank of New York will be permitted to engage in certain other transactions; however, if it acquires any conflicting interest and there is a default under the debt securities, it must eliminate such conflict or resign.

DESCRIPTION OF CAPITAL STOCK OF PROTECTIVE

Authorized and Outstanding Capital Stock

The authorized capital stock of Protective is 164,000,000 shares, consisting of:

3,600,000 shares of preferred stock, par value \$1.00 per share, of which no shares were outstanding as of November 30, 2004;

Edgar Filing: PROTECTIVE LIFE CORP - Form 424B2

400,000 shares of Series A Junior Participating Cumulative Preferred Stock, par value \$1.00 per share (the "Junior Preferred Stock"), of which no shares were outstanding as of November 30, 2004; and

160,000,000 shares of common stock, par value \$.50 per share, of which 69,449,889 shares, as well as the same number of rights ("Rights") to purchase shares of Junior Preferred Stock pursuant to the Rights Agreement, dated August 7, 1995 (the "Rights Agreement"), between Protective and The Bank of New York, as successor to AmSouth Bank, as Rights Agent, were outstanding as of November 30, 2004.

In general, the classes of authorized capital stock are afforded preferences with respect to dividends and liquidation rights in the order listed above. The Board of Directors of Protective may, without approval of the stockholders, issue preferred stock in one or more series, with the numbers of shares of each series and the rights, preferences and limitations of each series to be determined by it. The specific matters that may be determined by the Board of Directors include the dividend rights, conversion rights, redemption rights and liquidation preferences, if any, of any wholly unissued series of preferred stock, or of the entire class of preferred stock if none of such shares have been issued, the number of shares constituting any such series and the terms and conditions of the issue thereof. The descriptions set forth below do not purport to be complete and are qualified in their entirety by reference to:

the 1998 Restated Certificate of Incorporation of Protective;

the 2004 Amended and Restated Bylaws of Protective; and

the Rights Agreement.

Copies of each of these documents are filed as exhibits to the registration statement which includes this prospectus.

No holders of any class of Protective's capital stock are entitled to preemptive rights.

DESCRIPTION OF PREFERRED STOCK OF PROTECTIVE

The particular terms of any series of preferred stock to be offered pursuant to this prospectus will be set forth in a prospectus supplement. The rights, preferences, privileges and restrictions, including dividend rights, voting rights, terms of redemption and liquidation preferences, of the preferred stock of each series will be fixed or designated pursuant to a certificate of designation adopted by the Board of Directors or a duly authorized committee thereof. The description of the terms of a particular series of preferred stock that will be set forth in a prospectus supplement does not purport to be complete and is qualified in its entirety by reference to the certificate of designation relating to such series.

DESCRIPTION OF COMMON STOCK OF PROTECTIVE

General

Subject to the rights of the holders of any shares of preferred stock which may at the time be outstanding, holders of common stock are entitled to such dividends as the Board of Directors may declare out of legally available funds. The holders of common stock will possess exclusive voting rights in Protective, except to the extent the Board of Directors specifies voting power with respect to any preferred stock issued. Except as hereinafter described, holders of common stock are entitled to one vote for each share of common stock, but will not have any right to cumulate votes in the election of directors. In the event of liquidation, dissolution or winding up of Protective, the holders of common stock are entitled to receive, after payment of all of Protective's debts and liabilities and of all sums to which holders of any preferred stock may be entitled, the distribution of any remaining assets of Protective. Holders of common stock will not be entitled to preemptive rights with respect to any

shares which may be issued. Any shares of common stock sold hereunder will be fully paid and nonassessable. The Bank of New York is the registrar and transfer agent for the common stock. The common stock is listed on the New York Stock Exchange under the symbol "PL."

Potential Anti-takeover Effect of Protective's Restated Certificate of Incorporation

The provisions of Protective's certificate of incorporation that are summarized below may have an anti-takeover effect and may delay, defer or prevent a tender offer or takeover attempt that a stockholder might consider to be in such stockholder's best interests, including those attempts that might result in a premium over the market price for the shares held by stockholders.

Issuance of Preferred Stock. Pursuant to the certificate of incorporation, the Board of Directors by resolution may establish one or more series of preferred stock having such number of shares, designation, relative voting rights, dividend rights, dividend rates, liquidation and other rights, preferences and limitations as may be fixed by the Board of Directors without any further stockholder approval. Such rights, preferences, privileges and limitations as may be established could have the effect of impeding or discouraging the acquisition of control of Protective.

Business Combinations. Protective's certificate of incorporation contains a "fair price" provision which generally requires that certain "business combinations" with a "related person" (generally the beneficial owner, together with affiliates and associates of such person, of at least 20 percent of Protective's voting stock) be approved by the holders of at least 80 percent of Protective's voting stock and the holders of at least 67 percent of the voting stock held by stockholders other than such related person, unless:

- (1) at least a majority of the "continuing directors" of Protective

has expressly approved in advance the acquisition of Protective's voting stock that caused the related person involved in the business combination to become a related person; or

has approved the business combination; or

- (2) the business combination is either a "reorganization" or a business combination in which Protective is the surviving corporation and, in either event, the cash or fair market value of the property, securities or other consideration to be received per share as a result of the business combination by holders of the common stock of Protective other than the related person is not less than the highest per share price, with appropriate adjustments for recapitalizations and for stock splits, stock dividends and like distributions, paid by such related person in acquiring any holdings of Protective's common stock either in or subsequent to the transaction or series of transactions by reason of which the related person became a related person.

Protective's certificate of incorporation contains the following definitions:

"Business combination" means:

any reorganization of Protective or a subsidiary of Protective with or into a related person;

any sale, lease, exchange, transfer or other disposition, including without limitation a pledge, mortgage or any other security device, of all or any "substantial part" of the assets either of Protective or of a subsidiary of Protective, or both, to a related person;

any reorganization of a related person with or into Protective or a subsidiary of Protective;

Edgar Filing: PROTECTIVE LIFE CORP - Form 424B2

any sale, lease, exchange, transfer or other disposition of all or any substantial part of the assets of a related person to Protective or a subsidiary of Protective;

Edgar Filing: PROTECTIVE LIFE CORP - Form 424B2

the issuance of any securities of Protective or any subsidiary of Protective to a related person except if such issuance were a stock split, stock dividend or other distribution *pro rata* to all holders of the same class of voting stock;

any reclassification of Protective's securities, including any reverse stock split, or any other recapitalization that would have the effect of increasing the voting power of a related person; and

any agreement, contract, plan or other arrangement providing for any of the transactions described in the definition of business combination.

For purposes of Protective's certificate of incorporation, "continuing director" means a director who was a member of the Board of Directors of Protective immediately prior to the time such related person became a related person.

"Substantial part" means more than 20 percent of the fair market value of the total assets of the corporation in question, as determined in good faith by a majority of the continuing directors as of the end of its most recent fiscal year ending prior to the time the determination is being made.

"Reorganization" is defined to mean a merger, consolidation, plan of exchange, sale of all or substantially all of the assets (including, in the case of a subsidiary of Protective, bulk reinsurance or cession of substantially all of its policies and contracts) or other form of corporate reorganization pursuant to which shares of voting stock, or other securities of the subject corporation, are to be converted or exchanged into cash or other property, securities or other consideration.

Under the certificate of incorporation, the amendment of, repeal of or adoption of any provision inconsistent with provisions of the certificate of incorporation relating to business combinations with a related person requires the affirmative vote of the holders of at least 80 percent of Protective's voting stock and the holders of at least 67 percent of Protective's voting stock held by holders other than such related person.

Share Purchase Rights Plan

On August 7, 1995, the Board of Directors of Protective declared a dividend distribution of one Right for each outstanding share of common stock. The distribution was payable on August 18, 1995 to the shareholders of record on that date. Each Right currently entitles the registered holder to purchase from Protective, under certain circumstances, one two-hundredth of a share of Junior Preferred Stock at a purchase price of \$55 per one two-hundredth of a share of Junior Preferred Stock, subject to adjustment.

The Rights will be evidenced, with respect to any of the common stock certificates outstanding as of August 18, 1995, by such common stock certificate with a copy of a "Summary of Rights" attached thereto until the earlier to occur of:

ten business days following the time of a public announcement or notice to Protective that a person or group of affiliated or associated persons (an "acquiring person") acquired, or obtained the right to acquire, beneficial ownership of 15% or more of the outstanding Common Stock of Protective (the "stock acquisition time"); or

ten business days, or such later date determined by the Board of Directors, following the commencement or announcement of an intention to make a tender offer or exchange offer which, if successful, would cause the bidder to own 15% or more of the outstanding common stock.

The earlier of these dates is referred to as the "distribution date".

The Rights Agreement provides that, until the distribution date, the Rights will be transferred with and only with the common stock. Until the distribution date, or earlier redemption or expiration of the Rights, new common stock certificates issued after August 18, 1995, upon transfer or new issuance of the common stock, will contain a notation incorporating the Rights Agreement by reference. Until the distribution date, or earlier redemption or expiration of the Rights, the surrender for transfer of any of the common stock certificates outstanding as of August 18, 1995, even without a copy of a "Summary of Rights" attached thereto, will also constitute the transfer of the Rights associated with the common shares represented by such certificate. As soon as practicable following the distribution date, separate certificates evidencing the Rights will be mailed to holders of record of the common stock as of the close of business on the distribution date and such separate right certificates alone will evidence the Rights.

The Rights are not exercisable until the distribution date. The Rights will expire on August 18, 2005, unless earlier redeemed by Protective as described below or extended.

To prevent dilution, the purchase price payable and the number of shares of Junior Preferred Stock or other securities or property issuable upon exercise of the Rights are subject to adjustment from time to time in connection with the following events:

in the event of a stock dividend on, or a subdivision, combination or reclassification of, the Junior Preferred Stock;

upon the fixing of a record date for the issuance to holders of Junior Preferred Stock of certain rights, options or warrants to subscribe for or purchase Junior Preferred Stock or convertible securities at less than the current market price of Junior Preferred Stock; or

upon the fixing of a record date for the making of a distribution to holders of Junior Preferred Stock of evidences of indebtedness or assets, excluding regular periodic cash dividends not exceeding 125% of the last regular periodic cash dividend or dividends payable in Junior Preferred Stock, or of subscription rights or warrants, other than those referred to above.

The number of Rights and number of shares of Junior Preferred Stock issuable upon the exercise of each Right are also subject to adjustment in the event of a stock split, combination or stock dividend on the common stock prior to the distribution date.

With certain exceptions, no adjustment in the purchase price will be required until cumulative adjustments require an adjustment of at least 1% in such purchase price. No fractional shares of common stock will be issued and, in lieu thereof, an adjustment in cash will be made based on the market value of the common stock on the last trading date prior to the date of exercise.

In the event that after the stock acquisition time, Protective is acquired in a merger or other business combination transaction or 50% or more of its assets, cash flow or earning power are sold or otherwise transferred, the Rights Agreement provides that proper provision shall be made so that each holder of a Right, other than the acquiring person, upon the exercise thereof at the then-current exercise price of the Right, shall thereafter be entitled to receive that number of shares of common stock of the acquiring company which at the time of such transaction would have a market value of two times the exercise price of the Right. In the event that Protective were the surviving corporation in a merger and its common stock was changed or exchanged, proper provision shall be made so that each holder of a Right, other than the acquiring person, will thereafter have the right to receive upon exercise, that number of shares of the common stock having a market value of two times the exercise price of the Right.

In the event that a person or group becomes an acquiring person (otherwise than pursuant to a tender offer or exchange offer for all outstanding shares of common stock at a price and on terms which are determined to be fair and in the best interests of Protective and its stockholders by a

majority of the members of the Board of Directors of Protective who are not acquiring persons or representatives or nominees of or affiliated or associated with an acquiring person), proper provision shall be made so that each holder of a Right, other than Rights that were beneficially owned by the acquiring person, which will thereafter be void, will thereafter have the right to receive upon exercise that number of shares of common stock having a market value, as defined in the Rights Agreement, of two times the exercise price of the Right. A person or group will not be deemed to be an acquiring person if the Board of Directors of Protective determines that such person or group became an acquiring person inadvertently and such person or group promptly divests itself of a sufficient number of shares of common stock so that such person or group is no longer an acquiring person.

At any time prior to the earlier of (1) the stock acquisition time and (2) August 18, 2005, Protective, by resolution of its Board of Directors, may redeem the Rights in whole, but not in part, at a redemption price of \$.01 per Right. Immediately upon the action of the Board of Directors electing to redeem the Rights or at such time subsequent to such action as the Board of Directors may determine, the right to exercise the Rights will terminate and the only right of the holders of Rights will be to receive this redemption price.

At any time after a person becomes an acquiring person and prior to the acquisition by such person of 50% or more of the outstanding common stock of Protective, the Board of Directors of Protective may exchange the Rights, other than Rights beneficially owned by such person which have become void, in whole or in part, for common stock of Protective at an exchange ratio of one share of common stock per Right, subject to adjustment. Protective may at its option substitute shares of Junior Preferred Stock, or other series of substantially similar preferred stock of Protective, for some or all of the shares of common stock exchangeable for Rights, at an exchange ratio of one two-hundredth of a share of Junior Preferred Stock, or such other series of preferred stock, for each share of common stock to be exchanged.

Until a Right is exercised, the holder thereof, as such, will have no rights as a stockholder of Protective, other than rights resulting from such holder's ownership of shares of common stock, including, without limitation, the right to vote or to receive dividends. Stockholders may, depending upon the circumstances, recognize taxable income in the event that the Rights become exercisable for common stock, or other consideration, of Protective or for common stock of the acquiring company as set forth above.

The Rights and the Rights Agreement can be amended by Protective's Board of Directors in any respect, including, without limitation, any extension of the period in which the Right certificates may be redeemed, at any time prior to the stock acquisition time. From and after such time, without the approval of the stockholders of Protective or the holders of the Rights, the Board of Directors may only supplement or amend the Rights Agreement in order to:

cure any ambiguity;

correct or supplement any provision contained in the Rights Agreement which may be defective or inconsistent with any other provision in the Rights Agreement;

shorten or lengthen any time period under the Rights Agreement; or

make any changes or supplements which Protective may deem necessary or desirable which shall not adversely affect the interests of the holders of Right certificates, other than an acquiring person or an affiliate or associate of any such person.

Edgar Filing: PROTECTIVE LIFE CORP - Form 424B2

Any such action by the Board of Directors must have the concurrence of a majority of the continuing directors and the continuing directors must constitute a majority of directors then in office. However, the Rights Agreement may not be supplemented or amended to lengthen:

a time period relating to when the Rights may be redeemed or to modify the ability (or inability) of Protective's Board of Directors to redeem the Rights, in either case at such time as the Rights are not then redeemable; or

any other time period unless such lengthening is for a purpose of protecting, enhancing or clarifying the Rights of or the benefits to the holders of Rights, other than an acquiring person or an affiliate or associate of any such person.

For purposes of the Rights Agreement, the term "continuing director" means any member of the Board of Directors of Protective who was a member of the Board prior to the Stock Acquisition Time, and any person who is subsequently elected to the Board if such person is recommended or approved by a majority of the continuing directors, but shall not include an acquiring person, or an affiliate or associate of an acquiring person, or any representative of the foregoing entities.

The Rights have certain anti-takeover effects. The Rights will cause substantial dilution to a person or group that attempts to acquire Protective in a manner which causes the Rights to become exercisable unless the offer is conditioned on the Rights being redeemed. This potential dilution may have the effect of delaying, deferring or discouraging attempts to acquire control of Protective which are not approved by Protective's Board of Directors. However, the Rights should not interfere with any merger or other business combination approved by Protective's Board of Directors.

The foregoing description of the Rights Agreement is qualified in its entirety by reference to the complete terms of the Rights as set forth in the Rights Agreement. The Rights Agreement is incorporated by reference as an exhibit to the registration statement which includes this prospectus. A copy of the Rights Agreement can be obtained as described under "Where You Can Find More Information."

Description of Junior Preferred Stock

General. In connection with the Rights Agreement, 400,000 shares of Junior Preferred Stock have been reserved and authorized for issuance by Protective's Board of Directors. No shares of Junior Preferred Stock are outstanding as of the date of this prospectus. The following statements with respect to the Junior Preferred Stock do not purport to be complete and are subject to the detailed provisions of the Protective's certificate of incorporation and the certificate of designation relating to the Junior Preferred Stock which are filed as exhibits to the registration statement which includes this prospectus.

Ranking. The Junior Preferred Stock shall rank junior to all other series of Protective's preferred stock as to the payment of dividends and the distribution of assets, unless the terms of any such series shall provide otherwise.

Dividends and Distributions. Subject to the prior and superior rights of the holders of any share of any series of preferred stock ranking prior to and superior to the shares of Junior Preferred Stock with respect to dividends, the holders of shares of Junior Preferred Stock, in preference to the holders of common stock and of any other junior stock which may be outstanding, shall be entitled to receive, when, as and if declared by the Board of Directors out of funds legally available for that purpose, quarterly dividends payable in cash on the first day of January, April, July and October in each year commencing on the first quarterly dividend payment date after the first issuance of a share or fraction of a share of Junior Preferred Stock, in an amount per share, rounded to the nearest cent, equal to the greater of (1) \$2.50 per share (\$10.00 per annum) or (2) subject to adjustment upon certain dilutive events, 100 times the aggregate per share amount of all cash dividends, and 100 times the aggregate per share amount (payable in kind) of all non-cash dividends or other distributions, other than a

dividend payable in shares of common stock or a subdivision of the outstanding shares of common stock (by reclassification or otherwise), declared on the common stock, since the immediately preceding quarterly dividend payment date, or, with respect to the first quarterly dividend payment date, since the first issuance of any share or fraction of a share of Junior Preferred Stock.

Protective shall declare a dividend or distribution on the Junior Preferred Stock immediately after it declares a dividend or distribution on the common stock (other than a dividend payable in shares of common stock); provided that, in the event no dividend or distribution shall have been declared on the common stock during the period between any quarterly dividend payment date and the next subsequent quarterly dividend payment date, a dividend of \$2.50 per share (\$10.00 per annum) on the Junior Preferred Stock shall nevertheless be payable on such subsequent quarterly dividend payment date.

Voting Rights. The holders of shares of Junior Preferred Stock shall have the following voting rights:

subject to adjustment upon certain dilutive events, each share of Junior Preferred Stock shall entitle the holder thereof to 100 votes (and each one one-hundredth of a share of Junior Preferred Stock shall entitle the holder thereof to one vote) on all matters submitted to a vote of the stockholders of Protective;

except as otherwise provided by the certificate of designation, the certificate of incorporation, any other certificate of designation creating a series of preferred stock or any similar stock or by law, the holders of shares of Junior Preferred Stock and the holders of shares of common stock shall vote together as one class on all matters submitted to a vote of stockholders of Protective; and

except as provided in the certificate of designation or by applicable law, holders of Junior Preferred Stock shall have no special voting rights and their consent shall not be required for authorizing or taking any corporate action.

Liquidation, Dissolution or Winding Up. Upon any liquidation (voluntary or otherwise), dissolution or winding up of Protective, no distribution shall be made to the holders of shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Junior Preferred Stock unless, prior thereto, the holders of shares of Junior Preferred Stock shall have received the higher of (1) \$10 per share, plus an amount equal to accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment, or (2) an aggregate amount per share, subject to adjustment upon certain dilutive events, equal to 100 times the aggregate amount to be distributed per share to holders of common stock; nor shall any distribution be made to the holders of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding-up) with the Junior Preferred Stock, except distributions made ratably on the Junior Preferred Stock and all other such parity stock in proportion to the total amounts to which the holders of all such shares are entitled upon such liquidation, dissolution or winding-up.

Consolidation, Merger, etc. In case Protective shall enter into any consolidation, merger, combination or other transaction in which the shares of common stock are exchanged for or changed into other stock or securities, cash and/or any other property, or otherwise changed, then in any such case, each share of Junior Preferred Stock shall at the same time be similarly exchanged or changed into an amount per share (subject to adjustment upon certain dilutive events) equal to 100 times the aggregate amount of stock, securities, cash and/or any other property (payable in kind), as the case may be, into which or for which each share of common stock is changed or exchanged.

Certain Restrictions. Whenever quarterly dividends or other dividends or distributions payable on the Junior Preferred Stock are in arrears, thereafter and until all accrued and unpaid dividends and

distributions, whether or not declared, on shares of Junior Preferred Stock outstanding shall have been paid in full, Protective shall not:

declare or pay dividends, or make any other distributions on any shares or stock ranking junior (either as to dividends or upon liquidation, dissolution or winding-up) to the Junior Preferred Stock;

declare or pay dividends, or make any other distributions, on any shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding-up) with the Junior Preferred Stock except dividends paid ratably on the Junior Preferred Stock, and all such parity stock on which the dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

redeem or purchase or otherwise acquire for consideration shares of any stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding-up) with the Junior Preferred Stock, provided that Protective may at any time redeem, purchase or otherwise acquire shares of any such parity stock in exchange for shares of any stock of Protective ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Junior Preferred Stock; or

purchase or otherwise acquire for consideration any shares of Junior Preferred Stock, or any shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding-up) with the Junior Preferred Stock, except in accordance with a purchase offer made in writing or by publication (as determined by the Board of Directors) to all holders of such shares upon such terms as the Board of Directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective series or classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

Protective shall not permit any subsidiary of Protective to purchase or otherwise acquire for consideration any shares of stock of Protective unless Protective could, in accordance with the foregoing restrictions, purchase or otherwise acquire such shares at such time and in such manner.

Redemption. The shares of Junior Preferred Stock are not redeemable.

Certain Limitations on Dividends and Other Payments

Under the terms of the 7¹/₂% Subordinated Debentures, Series D, the 7¹/₄% Subordinated Debentures, Series E, and the 6¹/₈% Subordinated Debentures, Series F, Protective has the right to extend the interest payment period with respect to the Series D, E and F Debentures. During any such extended interest period, or at any time during which there is an uncured default or event of default (as defined in the subordinated indenture, see "Description of Debt Securities of Protective Events of Default, Notice and Certain Rights on Default") under the Series D, E and F Debentures, Protective is prohibited from paying any dividends on, or redeeming, purchasing, acquiring or making a liquidation payment with respect to, any of its shares of capital stock or making any guarantee payments with respect to the foregoing, with certain limited exceptions.

DESCRIPTION OF PREFERRED SECURITIES OF THE PLC CAPITAL TRUSTS

General

The declarations of trust of PLC Capital Trust VI, PLC Capital Trust VII and PLC Capital Trust VIII authorize each trust to issue one series of preferred securities which will have the terms described in a prospectus supplement. The proceeds from the sale of each trust's preferred and common securities will be used by such trust to purchase a series of subordinated debt securities issued by Protective. The subordinated debt securities will be held in trust by the trust's institutional trustee for the benefit of the holders of such preferred and common securities. The declarations of trust have been qualified as indentures under the Trust Indenture Act. The institutional trustee for each trust, Wilmington Trust Company, an independent trustee, will act as indenture trustee for the preferred securities, to be issued by each trust, for the purposes of compliance with the provisions of the Trust Indenture Act. The preferred securities will have such terms, including distributions, redemption, voting, liquidation rights and such other preferred, deferred or other special rights or such restrictions as shall be set forth in the declaration of trust or made part of the declaration of trust by the Trust Indenture Act. Such terms, rights and restrictions will mirror the terms of the subordinated debt securities held by the applicable trust and will be described in the applicable prospectus supplement. The prospectus supplement relating to the preferred securities of the applicable trust will provide specific terms, including:

the distinctive designation of such preferred securities;

the number of preferred securities issued by such trust;

the annual distribution rate (or method of determining such rate) for preferred securities issued by such trust and the date or dates upon which such distributions shall be payable; provided, however, that distributions on such preferred securities shall be payable on a quarterly basis to holders of such preferred securities as of a record date in each quarter during which such preferred securities are outstanding;

whether distributions on preferred securities issued by such trust shall be cumulative, and, in the case of preferred securities having such cumulative distribution rights, the date or dates or method of determining the date or dates from which distributions on preferred securities issued by such trust shall be cumulative;

the amount or amounts which shall be paid out of the assets of such trust to the holders of preferred securities of such trust upon voluntary or involuntary dissolution, winding-up or termination of such trust;

the obligation, if any, of such trust to purchase or redeem preferred securities issued by such trust and the price or prices at which, the period or periods within which, and the terms and conditions upon which, preferred securities issued by such trust shall be purchased or redeemed, in whole or in part, pursuant to such obligation (with such redemption price to be determined through negotiations among Protective and the underwriters based on, among other factors, redemption prices of securities similar to the preferred securities and market conditions generally);

the voting rights, if any, of preferred securities issued by such trust in addition to those required by law, including the number of votes per preferred security and any requirement for the approval by the holders of preferred securities, or of preferred securities issued by PLC Capital Trusts VI, VII or VIII, or of all, as a condition to specified action or amendments to the declaration of trust of such trust;

the terms and conditions, if any, upon which Protective's subordinated debt securities may be distributed to holders of preferred securities;

if applicable, any securities exchange upon which the preferred securities shall be listed; and

any other relevant rights, preferences, privileges, limitations or restrictions of preferred securities issued by such trust not inconsistent with the declaration of trust of such trust or with applicable law.

All preferred securities will be guaranteed by Protective to the extent set forth below under "Description of the Preferred Securities Guarantees." The guarantee of Protective, when taken together with Protective's obligations under its subordinated debt securities and the relevant supplemental indenture, and its obligations under each declaration of trust, including obligations to pay costs, expenses, debts and liabilities of the trust, other than with respect to preferred securities and common securities, would provide a full and unconditional guarantee of amounts due on preferred securities issued by the trusts. The prospectus supplement will describe any United States federal income tax considerations applicable to any offering of preferred securities.

In connection with the issuance of preferred securities, each trust will issue one series of common securities. The declaration of each trust authorizes the regular trustees to issue on behalf of such trust one series of common securities having such terms including distributions, redemption, voting, liquidation rights or such restrictions as shall be set forth therein. The terms of the common securities issued by a trust will be substantially identical to the terms of the preferred securities issued by such trust and the common securities will rank equally, and payments will be made thereon pro rata, with the preferred securities. However, upon an event of default under the declaration of trust, the rights of the holders of the common securities to payment in respect of distributions and payments upon liquidation, redemption and otherwise will be subordinated to the rights of the holders of the preferred securities. Except in certain limited circumstances, the common securities will also carry the right to vote, and appoint, remove or replace any of the trustees of a trust. All of the common securities of each trust will be directly or indirectly owned by Protective.

Enforcement of Certain Rights by Holders of Preferred Securities

If an event of default occurs, and is continuing, under the declaration of trust of PLC Capital Trust VI, PLC Capital Trust VII or PLC Capital Trust VIII, the holders of the preferred securities of that trust would typically rely on the institutional trustee to enforce its rights as a holder of the related subordinated debt securities of Protective against Protective. Additionally, those who together hold a majority of the liquidation amount of the trust's preferred securities will have the right to:

direct the time, method and place of conducting any proceeding for any remedy available to the institutional trustee; or

direct the exercise of any trust or power that the institutional trustee holds under the declaration of trust, including the right to direct the institutional trustee to exercise the remedies available to it as a holder of Protective's subordinated debt securities.

If such a default occurs and the event is attributable to Protective's failure to pay interest or principal on the subordinated debt securities when due, including any payment on redemption, and this debt payment failure is continuing, a preferred securities holder of the trust may directly institute a proceeding for the enforcement of this payment. Such a proceeding will be limited, however, to enforcing the payment of this principal or interest only up to the value of the aggregate liquidation amount of the holder's preferred securities as determined after the due date specified in the applicable series of subordinated debt securities. Protective will be subrogated to the holder's rights under the applicable declaration of trust to the extent of any payment it makes to the holder in connection with such a direct action.

DESCRIPTION OF THE PREFERRED SECURITIES GUARANTEES

Set forth below is a summary of information concerning the guarantees which will be executed and delivered by Protective for the benefit of the holders from time to time of preferred securities. Each guarantee will be qualified as an indenture under the Trust Indenture Act. Wilmington Trust Company, an independent trustee, will act as indenture trustee under each guarantee for the purposes of compliance with the provisions of the Trust Indenture Act. The terms of each guarantee will be those set forth in such guarantee and those made part of such guarantee by the Trust Indenture Act. The following summary does not purport to be complete and is subject in all respects to the provisions of, and is qualified in its entirety by reference to, the form of guarantee, which is filed as an exhibit to the registration statement which includes this prospectus, and the Trust Indenture Act. Each guarantee will be held by the trustee for the benefit of the holders of the preferred securities of the applicable trust.

General

Pursuant to each guarantee, Protective will irrevocably and unconditionally agree, to the extent set forth therein, to pay in full, to the holders of the preferred securities issued by PLC Capital Trusts VI, VII or VIII, except to the extent paid by such trust, as and when due, regardless of any defense, right of set-off or counterclaim which such trust may have or assert:

any accrued and unpaid distributions which are required to be paid on such preferred securities, to the extent such trust shall have funds available;

the redemption price, and all accrued and unpaid distributions to the date of redemption (the "Redemption Price") to the extent such trust has funds available with respect to any preferred securities called for redemption by such trust; and

upon a voluntary or involuntary dissolution, winding-up or termination of such trust (other than in connection with the distribution of subordinated debt securities to the holders of preferred securities or the redemption of all of the preferred securities), the lesser of:

- (1) the aggregate of the liquidation amount and all accrued and unpaid distributions on such preferred securities to the date of payment, to the extent such trust has funds available; and
- (2) the amount of assets of such trust remaining available for distribution to holders of such preferred securities in liquidation of such trust.

Protective's obligation to make a guarantee payment may be satisfied by direct payment of the required amounts by the company to the holders of preferred securities or by causing the applicable trust to pay such amounts to such holders.

Each guarantee will be a guarantee with respect to the preferred securities issued by the applicable trust, but will not apply to any payment of distributions except to the extent such trust shall have funds available therefor. If Protective does not make interest payments on the subordinated debt securities purchased by a trust, such trust will not pay distributions on the preferred securities issued by such trust and will not have funds available therefor. The guarantee, when taken together with Protective's obligations under the subordinated debt securities, the subordinated indenture, and the declaration of trust will provide a full and unconditional guarantee on a subordinated basis by Protective of payments due on the Preferred Securities.

Protective will also agree separately, through the guarantees of the common securities, to irrevocably and unconditionally guarantee the obligations of the trusts with respect to the common securities to the same extent as the guarantees of the preferred securities. However, upon an event of default under the subordinated debt securities indenture, holders of preferred securities shall have

priority over holders of common securities with respect to distributions and payments on liquidation, redemption or otherwise.

Certain Covenants of the Company

In each guarantee, Protective will covenant that, so long as any preferred securities issued by the applicable trust remain outstanding, if any event that would constitute an event of default under such guarantee or the declaration of such trust has occurred, then:

Protective shall not declare or pay any dividend on, make any distributions with respect to, or redeem, purchase or make a liquidation payment with respect to, any of its capital stock, other than:

- (1) purchases or acquisitions of shares of its common stock in connection with the satisfaction by Protective of its obligations under any employee benefit plans or the satisfaction by Protective of its obligation pursuant to any contract or security requiring it to purchase shares of its common stock;
- (2) as a result of a reclassification of its capital stock or the exchange or conversion of one class or series of Protective capital stock for another class or series of Protective capital stock;
- (3) the purchase of fractional interests in shares of Protective capital stock pursuant to an acquisition or the conversion or exchange provisions of such Protective capital stock or the security being converted or exchanged; and
- (4) redemptions or purchases pursuant to Protective's Rights Agreement, dated August 7, 1995, between Protective and The Bank of New York as Successor Rights Agent to AmSouth Bank as Rights Agent;

Protective shall not make any payment of interest, principal or premium, if any, on or repay, repurchase or redeem any debt securities (including guarantees) issued by Protective which rank equally with or junior to the related subordinated debt securities of Protective; and

Protective shall not make any guarantee payments with respect to the foregoing, other than pursuant to a guarantee of preferred securities or common securities, or Protective's guarantees with respect to:

- (1) PLC Capital Trust III's 7¹/₂% Trust Originated Preferred Securities and Common Securities;
- (2) PLC Capital Trust IV's 7¹/₄% Trust Originated Preferred Securities and Common Securities; and
- (3) PLC Capital Trust V's 6¹/₈% Trust Originated Preferred Securities and Common Securities.

Modification of the Preferred Securities Guarantees; Assignment

Except with respect to any changes which do not adversely affect the rights of holders of preferred securities, in which case no vote will be required, each guarantee may be amended only with the prior approval of the holders of not less than a majority in liquidation amount of the outstanding preferred securities issued by the applicable trust. All guarantees and agreements contained in a guarantee shall bind the successors, assigns, receivers, trustees and representatives of Protective and shall inure to the benefit of the holders of the preferred securities of the applicable trust then outstanding.

Termination

Each guarantee will terminate as to the preferred securities issued by the applicable trust:

upon full payment of the redemption price of all preferred securities of such trust;

upon distribution of the subordinated debt securities held by such trust to the holders of the preferred securities of such trust;
or

upon full payment of the amounts payable in accordance with the declaration of such trust upon liquidation of such trust.

Events of Default

An event of default under a guarantee will occur upon the failure of Protective to perform any of its payment or other obligations thereunder.

The holders of a majority in liquidation amount of the preferred securities to which such guarantee relates have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee in respect of the guarantee or to direct the exercise of any trust or power conferred upon the trustee under such guarantee. If the trustee fails to enforce such guarantee, any holder of preferred securities to which such guarantee relates may institute a legal proceeding directly against Protective to enforce such holder's rights under such guarantee, without first instituting a legal proceeding against the relevant trust, the trustee or any other person or entity. Notwithstanding the foregoing, if Protective has failed to make a guarantee payment, a holder of preferred securities may directly institute a proceeding against Protective for enforcement of the guarantee for such payment. Protective waives any right or remedy to require that any action be brought first against such trust or any other person or entity before proceeding directly against Protective.

Status of the Preferred Securities Guarantees

The guarantees will constitute unsecured obligations of Protective and will rank as follows:

subordinate and junior in right of payment to all present and future senior indebtedness, as such term is defined in Protective's subordinated indenture, see "Description of Debt Securities of Protective Subordination under the Subordinated Indenture;"

equally with:

- (1) Protective's guarantees with respect to the common securities of PLC Capital Trusts VI, VII and VIII;
- (2) subordinated debt securities, see "Description of Debt Securities Subordination under the Subordinated Indenture;"
- (3) Protective's guarantee of PLC Capital Trust III's 7¹/₂% Trust Originated Preferred Securities;
- (4) Protective's guarantee of PLC Capital Trust III's 7¹/₂% Trust Originated Common Securities;
- (5) Protective's 7¹/₂% Subordinated Debentures, due August 22, 2031, Series D;
- (6) Protective's guarantee of PLC Capital Trust IV's 7¹/₄% Trust Originated Preferred Securities;
- (7) Protective's guarantee of PLC Capital Trust IV's 7¹/₄% Trust Originated Common Securities;

Edgar Filing: PROTECTIVE LIFE CORP - Form 424B2

- (8) Protective's 7¹/₄% Subordinated Debentures, due September 25, 2032, Series E;
- (9) Protective's guarantee of PLC Capital Trust V's 6¹/₈% Trust Originated Preferred Securities;
- (10) Protective's guarantee of PLC Capital Trust V's 6¹/₈% Trust Originated Common Securities;
- (11) Protective's 6¹/₈% Subordinated Debentures, due November 1, 2034, Series F; and
- (12) any other liabilities or obligations that may have equal ranking by their terms; and

senior to Protective's common stock, the most senior preferred or preference stock now or hereafter issued by Protective and with any guarantee now or hereafter entered into by Protective in respect to any preferred or preference stock of any affiliate of Protective.

The terms of the preferred securities provide that each holder of preferred securities issued by the applicable trust by acceptance thereof agrees to the subordination provisions and other terms of the guarantee relating thereto.

The guarantees will constitute a guarantee of payment and not of collection; that is, the guaranteed party may institute a legal proceeding directly against the guarantor to enforce its rights under the guarantee without instituting a legal proceeding against any other person or entity.

Information Concerning the Preferred Guarantee Trustee

The trustee, prior to the occurrence of a default with respect to a guarantee, undertakes to perform only such duties as are specifically set forth in such guarantee and, after default, shall exercise the same degree of care as a prudent individual would exercise in the conduct of his or her own affairs. Subject to such provisions, the trustee is under no obligation to exercise any of the powers vested in it by a guarantee at the request of any holder of preferred securities, unless offered reasonable indemnity against the costs, expenses and liabilities which might be incurred thereby; but the foregoing shall not relieve the trustee, upon the occurrence of an event of default under such guarantee, from exercising the rights and powers vested in it by such guarantee.

Governing Law

The guarantees will be governed by and construed in accordance with the internal laws of the State of New York.

EFFECT OF OBLIGATIONS UNDER THE SUBORDINATED DEBT SECURITIES AND THE PREFERRED SECURITIES GUARANTEES

As set forth in the declarations of trust, the sole purpose of PLC Capital Trusts VI, VII, and VIII is to issue the preferred securities and common securities evidencing undivided beneficial interests in the assets of each of the trusts, and to invest the proceeds from such issuance and sale in Protective's subordinated debt securities.

As long as payments of interest and other payments are made when due on the subordinated debt securities held by the trusts, such payments will be sufficient to cover distributions and payments due on the preferred securities and common securities because of the following factors:

the aggregate principal amount of such subordinated debt securities will be equal to the sum of the aggregate stated liquidation amount of the preferred securities and common securities;

the interest rate and the interest and other payment dates on such subordinated debt securities will match the distribution rate and distribution and other payment dates for the preferred securities;

Protective shall pay, and the trusts shall not be obligated to pay, directly or indirectly, all costs, expenses, debt, and obligations of the trusts, other than with respect to the preferred securities and common securities; and

the declaration of trust of each trust further provides that the trustees shall not take or cause or permit the trust to, among other things, engage in any activity that is not consistent with the purposes of the applicable trust.

Payments of distributions (to the extent funds therefore are available) and other payments due on the preferred securities (to the extent funds therefore are available) are guaranteed by Protective as and to the extent set forth under "Description of Preferred Securities Guarantees." If Protective does not make interest payments on the subordinated debt securities purchased by the applicable trust, it is expected that the applicable trust will not have sufficient funds to pay distributions on the preferred securities and the guarantee will not apply, since the guarantee covers the payment of distributions and other payments on the preferred securities only if and to the extent that Protective has made a payment of interest or principal on the subordinated debt securities held by the applicable trust as its sole asset. However, the guarantee, when taken together with Protective's obligations under the subordinated debt securities and the subordinated indenture and its obligations under the declaration of trust, including its obligations to pay costs, expenses, debts and liabilities of the trust, other than with respect to the preferred securities and common securities, provide a full and unconditional guarantee, on a subordinated basis, by Protective of amounts due on the preferred securities.

If Protective fails to make interest or other payments on the subordinated debt securities when due, taking account of any extension period, the declarations of trust provide a mechanism whereby the holders of the preferred securities affected thereby, using the procedures described in any accompanying prospectus supplement, may direct the institutional trustee to enforce its rights under the subordinated debt securities. If a debt payment failure has occurred and is continuing, a holder of preferred securities may institute a direct action for payment after the respective due date specified in the subordinated debt securities. In connection with such direct action, Protective will be subrogated to the rights of such holder of preferred securities under the declaration of trust to the extent of any payment made by Protective to such holder of preferred securities in such direct action. Protective, under the guarantee, acknowledges that the guarantee trustee shall enforce the guarantee on behalf of the holders of the preferred securities. If Protective fails to make payments under the guarantee, the guarantee provides a mechanism whereby the holders of the preferred securities may direct the trustee to enforce its rights thereunder. Any holder of preferred securities may institute a legal proceeding directly against Protective to enforce the guarantee trustee's rights under the guarantee without first instituting a legal proceeding against the trust, the guarantee trustee, or any other person or entity.

Protective and each of PLC Capital Trusts VI, VII and VIII believe that the above mechanisms and obligations, taken together, provide a full and unconditional guarantee by Protective on a subordinated basis of payments due on the preferred securities. See "Description of the Preferred Securities Guarantee General."

DESCRIPTION OF STOCK PURCHASE CONTRACTS AND STOCK PURCHASE UNITS

Protective may issue stock purchase contracts, representing contracts obligating holders to purchase from Protective, and Protective to sell to the holders, a specified number of shares of Protective's common stock at a future date or dates. The price per share of common stock may be fixed at the time the stock purchase contracts are issued or may be determined by reference to a specific formula set

forth in the stock purchase contracts. The stock purchase contracts may be issued separately or as a part of stock purchase units consisting of a stock purchase contract and debt securities of Protective or preferred securities of PLC Capital Trusts VI, VII or VIII or debt obligations of third parties, including U.S. Treasury securities, securing the holders' obligations to purchase the common stock under the purchase contracts. The stock purchase contracts may require Protective to make periodic payments to the holders of the stock purchase units or vice versa, and such payments may be unsecured or prefunded on some basis. The stock purchase contracts may require holders to secure their obligations thereunder in a specified manner.

The applicable prospectus supplement will describe the terms of any stock purchase contracts or stock purchase units. The description in the prospectus supplement will not purport to be complete and will be qualified in its entirety by reference to the stock purchase contracts, and, if applicable, collateral arrangements and depositary arrangements, relating to such stock purchase contracts or stock purchase units.

PLAN OF DISTRIBUTION

Protective may sell any of the debt securities, preferred stock, common stock, stock purchase contracts and stock purchase units, and PLC Capital Trusts VI, VII, or VIII may sell any of the preferred securities, being offered hereby in any one or more of the following ways from time to time:

through agents;

to or through underwriters;

through dealers; and

directly by Protective or the trusts, as the case may be, to purchasers.

The distribution of the securities may be effected from time to time in one or more transactions at a fixed price or prices, which may be changed, at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices.

Agents designated by Protective or the trusts may solicit offers to purchase the securities from time to time. The prospectus supplement will name any such agent involved in the offer or sale of the securities and will set forth any commissions payable by Protective or the trusts to such agent. Unless otherwise indicated in such prospectus supplement, any such agent will be acting on a reasonable best efforts basis for the period of its appointment. Any such agent may be deemed to be an underwriter, as that term is defined in the Securities Act, of the securities so offered and sold.

If the securities are sold by means of an underwritten offering, Protective and/or the trusts will execute an underwriting agreement with an underwriter or underwriters at the time an agreement for such sale is reached. A prospectus supplement will be used by the underwriters to make resales of the securities to the public and will set forth the names of the specific managing underwriter or underwriters, as well as any other underwriters, and the terms of the transaction, including commissions, discounts and any other compensation of the underwriters and dealers, if any. If underwriters are utilized in the sale of the securities, the securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at fixed public offering prices or at varying prices determined by the underwriter at the time of sale. The securities may be offered to the public either through underwriting syndicates represented by managing underwriters or directly by the managing underwriters. If any underwriter or underwriters are utilized in the sale of the securities, unless otherwise indicated in the prospectus supplement, the underwriting agreement will provide that the obligations of the underwriters are subject to certain conditions precedent and that the underwriters will be obligated to purchase all such securities if any are purchased.

If a dealer is utilized in the sale of the securities, Protective or the trusts will sell such securities to the dealer as principal. The dealer may then resell such securities to the public at varying prices to be determined by such dealer at the time of resale. Any such dealer may be deemed to be an underwriter, as such term is defined in the Securities Act of 1933, of the securities so offered and sold. The prospectus supplement will set forth the name of the dealer and the terms of the transaction.

Protective or the trusts may directly solicit offers to purchase the securities and may sell such securities directly to institutional investors or others, who may be deemed to be underwriters within the meaning of the Securities Act of 1933 with respect to any resale thereof. The prospectus supplement will describe the terms of any such sales.

Agents, underwriters and dealers may be entitled under relevant agreements with Protective and/or the trusts to indemnification by Protective and/or the trusts against certain liabilities, including liabilities under the Securities Act of 1933, or to any contribution with respect to payments which such agents, underwriters and dealers may be required to make.

Each series of securities will be a new issue with no established trading market, other than the common stock which is listed on the New York Stock Exchange. Any common stock sold pursuant to a prospectus supplement will be listed on such exchange, subject to official notice of issuance. Protective may elect to list any series of debt securities, preferred stock, stock purchase contracts or stock purchase units and the trusts may elect to list any series of preferred securities, on an exchange, but neither Protective nor the trusts shall be obligated to do so. It is possible that one or more underwriters may make a market in a series of the securities, but will not be obligated to do so and may discontinue any market making at any time without notice. Therefore, no assurance can be given as to the liquidity of the trading market for the securities.

Agents, underwriters and dealers may be customers of, engage in transactions with, or perform services for, Protective and its subsidiaries (including the trusts) in the ordinary course of business.

The securities may also be offered and sold, if so indicated in the prospectus supplement, in connection with a remarketing upon their purchase, in accordance with a redemption or repayment pursuant to their terms, or otherwise, by one or more firms ("remarketing firms"), acting as principals for their own accounts or as agents for Protective or the trusts. The prospectus supplement will identify any remarketing firm and will describe the terms of its agreement, if any, with Protective or the trusts and its compensation. Remarketing firms may be deemed to be underwriters, as such term is defined in the Securities Act, in connection with the securities remarketed thereby. Under agreements which may be entered into with Protective, Protective and/or the trusts may be required to provide indemnification or contribution to remarketing firms against certain civil liabilities, including liabilities under the Securities Act. Remarketing firms may also be customers of, engage in transactions with or perform services for Protective and its subsidiaries (including the trusts) in the ordinary course of business.

If so indicated in the applicable prospectus supplement, Protective or the trusts may authorize agents, underwriters or dealers to solicit offers by certain institutions to purchase the securities from Protective or the trusts, at the public offering prices set forth in the applicable prospectus supplement pursuant to delayed delivery contracts providing for payment and delivery on a specified date or dates. The applicable prospectus supplement will indicate the commission to be paid to underwriters, dealers and agents soliciting purchases of the securities pursuant to contracts accepted by Protective.

LEGAL MATTERS

Unless otherwise indicated in the applicable prospectus supplement, certain matters of Delaware law relating to the validity of the preferred securities of PLC Capital Trust VI, PLC Capital Trust VII and PLC Capital Trust VIII will be passed upon for Protective and the trusts by Richards, Layton & Finger, P.A., special Delaware counsel to Protective and the trusts, and the validity of any other securities offered hereby and of the preferred securities guarantee and the senior debt securities relating to any preferred securities of the trusts offered hereby will be passed upon for Protective and the trusts by Deborah J. Long, Senior Vice President and General Counsel for the Company. Ms. Long may rely upon Richards, Layton & Finger, P.A., special Delaware counsel to Protective and the trusts, as to all matters of Delaware law relating to any preferred securities.

EXPERTS

The financial statements and financial statement schedules for the years ended December 31, 2003, incorporated in this prospectus by reference to Protective Life Corporation's Annual Report on Form 10-K for the year ended December 31, 2003, and the Current Report on Form 8-K dated December 20, 2004, have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, independent registered public accounting firm, given on the authority of that firm as experts in accounting and auditing.

INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS

With respect to the unaudited financial information of Protective and its subsidiaries for the nine-month periods ended September 30, 2004 and 2003, incorporated by reference in this prospectus, PricewaterhouseCoopers LLP reported that they have applied limited procedures in accordance with professional standards for a review of such information. However, their separate report dated November 9, 2004, incorporated by reference in this prospectus, states that they did not audit and they do not express an opinion on that unaudited financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. PricewaterhouseCoopers LLP is not subject to the liability provisions of Section 11 of the Securities Act of 1933, as amended, for their report on the unaudited financial information because that report is not a "report" or a "part" of the registration statement prepared or certified by PricewaterhouseCoopers LLP within the meaning of Sections 7 and 11 of the Securities Act of 1933, as amended.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus supplement. You must not rely on any unauthorized information or representations. This prospectus supplement is an offer to sell only the capital securities offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus supplement is current only as of its date.

TABLE OF CONTENTS

	<u>Page</u>
<u>Prospectus Supplement</u>	
Forward-Looking Information	S-1
About this Prospectus Supplement	S-1
Summary	S-2
Risk Factors	S-8
Use of Proceeds	S-15
Acquisition of the Chase Insurance Group	S-16
Capitalization	S-18
Selected Consolidated Financial Data of Protective	S-19
Selected Historical Financial Data of the Chase Insurance Group	S-21
Unaudited Pro Forma Condensed Combined Financial Information	S-22
Capital Replacement	S-31
Description of the Capital Securities	S-32
Material U.S. Federal Income Tax Consequences	S-52
Underwriting	S-58
Validity of the Capital Securities	S-61
Experts	S-61
<u>Prospectus</u>	
Forward-Looking Information	3
About This Prospectus	3
Where You Can Find More Information	4
Incorporation of Certain Documents by Reference	4
Risk Factors	5
Protective Life Corporation	13
The PLC Capital Trusts	13
Use of Proceeds	15
Consolidated Earnings Ratios	15
Description of Debt Securities of Protective	16
Description of Capital Stock of Protective	27
Description of Preferred Stock of Protective	28
Description of Common Stock of Protective	28
Description of Preferred Securities of the PLC Capital Trusts	36
Description of the Preferred Securities Guarantees	38
Effect of Obligations Under the Subordinated Debt Securities and the Preferred Guarantees	41
Description of Stock Purchase Contracts and Stock Purchase Units	42
Plan of Distribution	43
Legal Matters	45
Experts	45
Independent Registered Public Accountants	45

\$200,000,000

Protective Life Corporation

% Capital Securities

due 2066

Goldman, Sachs & Co.

Merrill Lynch & Co.

Wachovia Securities

Citigroup

Morgan Stanley

UBS Investment Bank

QuickLinks

[FORWARD-LOOKING INFORMATION](#)

[ABOUT THIS PROSPECTUS SUPPLEMENT](#)

[SUMMARY](#)

[Protective](#)

[Recent Developments](#)

[The Offering](#)

[RISK FACTORS](#)

[USE OF PROCEEDS](#)

[ACQUISITION OF THE CHASE INSURANCE GROUP](#)

[CAPITALIZATION](#)

[SELECTED CONSOLIDATED FINANCIAL DATA OF PROTECTIVE](#)

[Ratios of Earnings to Fixed Charges](#)

[SELECTED HISTORICAL FINANCIAL DATA OF THE CHASE INSURANCE GROUP](#)

[UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION](#)

[NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION](#)

[CAPITAL REPLACEMENT](#)

[DESCRIPTION OF THE CAPITAL SECURITIES](#)

[MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES](#)

[UNDERWRITING](#)

[VALIDITY OF THE CAPITAL SECURITIES](#)

[EXPERTS](#)

[TABLE OF CONTENTS](#)

[FORWARD LOOKING INFORMATION](#)

[ABOUT THIS PROSPECTUS](#)

[WHERE YOU CAN FIND MORE INFORMATION](#)

[INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE](#)

[RISK FACTORS](#)

[PROTECTIVE LIFE CORPORATION](#)

[THE PLC CAPITAL TRUSTS](#)

[USE OF PROCEEDS](#)

[CONSOLIDATED EARNINGS RATIOS](#)

[DESCRIPTION OF DEBT SECURITIES OF PROTECTIVE](#)

[DESCRIPTION OF CAPITAL STOCK OF PROTECTIVE](#)

[DESCRIPTION OF PREFERRED STOCK OF PROTECTIVE](#)

[DESCRIPTION OF COMMON STOCK OF PROTECTIVE](#)

[DESCRIPTION OF PREFERRED SECURITIES OF THE PLC CAPITAL TRUSTS](#)

[DESCRIPTION OF THE PREFERRED SECURITIES GUARANTEES](#)

[EFFECT OF OBLIGATIONS UNDER THE SUBORDINATED DEBT SECURITIES AND THE PREFERRED SECURITIES](#)

[GUARANTEES](#)

[DESCRIPTION OF STOCK PURCHASE CONTRACTS AND STOCK PURCHASE UNITS](#)

[PLAN OF DISTRIBUTION](#)

[LEGAL MATTERS](#)

[EXPERTS](#)

[INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS](#)